

MARK J. BENNETT #2672
Attorney General

HUGH R. JONES #4783
Deputy Attorney General
DEPARTMENT OF THE ATTORNEY GENERAL
425 QUEEN STREET
HONOLULU HAWAII 96813
(808) 586-1473

1ST CIRCUIT COURT
STATE OF HAWAII
FILED

2009 MAY 19 AM 9:40

E. ALAGAO
CLERK

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

MARK J. BENNETT, ATTORNEY)	Civ. No. <u>09-1-1145-05</u> VSM
GENERAL OF THE STATE OF HAWAII,)	
)	COMPLAINT FOR INJUNCTIVE RELIEF
Plaintiff,)	AND CIVIL PENALTIES; SUMMONS
vs.)	
)	
)	
COMMUNITY SUPPORT, INC. a)	
Domestic Limited Liability)	
Corporation,)	
)	
Defendant)	

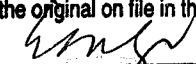
COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

COMES NOW the STATE OF HAWAII ex rel. MARK J. BENNETT,
Attorney General, by Hugh R. Jones, Deputy Attorney General, and
alleges as follows:

INTRODUCTION

1. This suit seeks an injunction, assessment of penalties
and recovery of costs pursuant to Hawaii's Charitable
Solicitation Law, chapter 467B, Hawaii Revised Statutes. This
action seeks redress on behalf of the public of Hawaii for

I do hereby certify that this is a full, true, and
correct copy of the original on file in this office.


Clerk, Circuit Court, First Circuit

violations of law and unfair trade practices by Defendant. Community Support, Inc. (hereinafter referred to as "CSI") CSI engages in the trade and practice of professional fundraising by telephonically soliciting Hawaii donors and collecting donations from Hawaii donors at a local post office box. CSI has made both explicit and implicit false and misleading verbal and written statements, descriptions and representations to Hawaii donors that tended to or did deceive or mislead prospective donors in an attempt to solicit donations, the vast majority of which are paid to the professional fundraiser and the remainder of which is spent by the charity for administrative costs. On average, less than 10% percent of donations collected in Hawaii and nationally are retained by the charity.

PARTIES

2. Plaintiff STATE OF HAWAII ex rel. MARK J. BENNETT, the duly appointed Attorney General of HAWAII, brings this suit pursuant to his authority under sections 467B-9.6(b), 467B-10.5, and 480-14, Hawaii Revised Statutes. Plaintiff has determined that this action is in the interest of the state and is also in the public interest and has joined in a multistate investigation with 30 other states.

3. CSI is a Nevada corporation with its principal place of business at 312 E. Wisconsin Ave., Milwaukee, Wisconsin 53202, and is engaged in professional solicitations and collection of donations in Hawaii.

JURISDICTION

4. Jurisdiction is conferred upon this Court by sections 467B-9.5, 467B-10.5, and 480-14, Hawaii Revised Statutes.

VENUE

5. Venue is proper in this judicial district pursuant to section 480-21, Hawaii Revised Statutes. The conduct of the Defendant giving rise to this action occurred in various counties in Hawaii, including the City and County of Honolulu.

FACTUAL STATEMENTS COMMON TO ALL COUNTS

6. CSI was and is registered as a professional fundraiser under section 467B-12, Hawaii Revised Statutes, in Hawaii during all times relevant to this action.

7. Plaintiff joined by the relevant regulatory authorities of at least 30 other states, which upon shared information and belief had reason to investigate CSI for multiple violations of the charitable solicitations laws of the various states.

8. Pursuant to section 467B-9.3, Hawaii Revised Statutes, the Attorney General conducted an investigation of CSI and requested documents and other information through correspondence sent to CSI.

9. The investigative request was served as part of the multi-state investigation of CSI. The states each issued an

individual civil investigative demand or a comparable request to CSI on or about February 25, 2009.

10. In response, and as part of a coordinated effort, the multi-state group allowed CSI to respond once to the group rather than to 31 separate demands.

11. CSI provided approximately 30% of the information demanded.

VIOLATIONS OF THE CHARITABLE SOLICITATIONS LAW

12. CSI regularly conducted telephone solicitation campaigns by having its employees call Hawaii residents asking for contributions for the various charities it contracts with. Those charities may have include the American Breast Cancer Foundation, Inc., American Foundation for Disabled Children, Association for Firefighters and Paramedics, Cancer Center for Detection and Prevention, The Committee for Missing Children, Disabled Police Officers Counseling Center, Disabled Police Officers of America, Disabled and Retired Police Officers Education Fund, Firefighters Charitable Foundation, Firefighters Support Foundation, Junior Police Academy, Kids Wish Network, Law Enforcement Alliance of America, The Medical Support Association, Inc., National Vietnam Veteran's Association, Reserve Police Officer's Association, Police Officer's Safety Association, Police Protective Fund, US Navy Veterans

Association, United States Deputy Sheriff's Association, Inc., and the Woman to Woman Breast Cancer Foundation.

13. All of the charities listed in Paragraph 12 contract with CSI services as a professional fundraiser.

14. The contracts provide that the charities will receive between 15% and 8% of the total donations collected by CSI as enumerated in the individual contracts. The remaining percentages, between 85% and 92% are paid to CSI for fundraising services.

15. CSI does not now nor has it ever had a physical presence in Hawaii.

16. None of the charities named in Paragraph 12 have or have ever had a physical presence in Hawaii.

17. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that the contributions would be used for local benefit.

18. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that 100% of the donations would be used for charitable programs.

19. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that the solicitors

were themselves members or retired members of police, firefighter or veteran occupations.

20. While making solicitations for contributions, CSI solicitors, both explicitly and implicitly, represented to Hawaii donors that the donor had previously contributed to the stated cause when this was not supported by fact.

21. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that the calls were placed from within Hawaii, implying a local relationship which did not exist.

22. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that a substantial portion of the donations would go to programs described by the solicitor which did not exist.

23. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that it represented or was itself a local charity by using a pass-through Hawaii post office box or drop box to collect donations.

24. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that they had pledged

donations by sending a confirmation 'receipt' and collection documents which intentionally closely resembled a bill for debt collection when no such pledges had been made.

25. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that the donors were required by law to remit pledged donations by sending a confirmation 'receipt' and collection documents which intentionally closely resemble a bill for debt collection when no such legal requirement exists.

26. While making solicitations for contributions, CSI's paid telemarketers and solicitors, both explicitly and implicitly, represented to Hawaii donors that their real or fabricated pledge was a collectible debt and made numerous and harassing collection calls to those donors.

27. The acts and omissions made by CSI as described above constitute false and misleading verbal and written statements, descriptions and representations to Hawaii donors which tended to or did deceive or mislead prospective donors in an attempt to solicit donations and which are prohibited practices and unfair trade practices under sections 467B-9, and 480-2, Hawaii Revised Statutes.

28. CSI has engaged in a pattern and practice of misleading and deceptive solicitation practices in violation of

the Hawaii Charitable Solicitations Law, chapter 467B, Hawaii Revised Statutes.

29. CSI has collected donations as a result of telephone solicitations and written demands made to Hawaii donors.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that the Court order relief against CSI as follows:

A. Enter a permanent injunction enjoining Defendant CSI from engaging in fund raising in Hawaii for any nonprofit or charitable organization.

B. Order Defendant CSI to restore any and all money to all donors the Court deems to be entitled to restitution as a result of Defendant's unlawful acts or practices pursuant to NMSA 1978, Section 57-22-9;

C. Impose civil penalties upon Defendant, in an amount of up to ten thousand dollars, (\$10,000) for each willful violation of the Charitable Solicitations Act proven at trial pursuant to section 480-3.1, Hawaii Revised Statutes;

D. Allow the State to recover attorney fees and costs of this action from the Defendant pursuant to section 480-14, Hawaii Revised Statutes;

E. Order Defendant to pay all court costs;

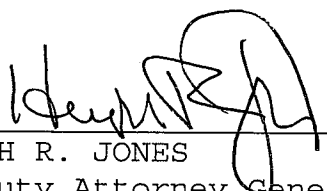
F. Enter judgment against Defendant, in the amount of all restitution, interest, and civil penalties ordered by the Court;

G. Enter an order under which the Court will retain jurisdiction to enforce its order, including any Injunction ordered by the Court; and

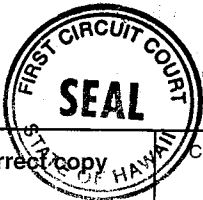
H. Grant such further relief as the Court deems just and equitable.

DATED: Honolulu, Hawaii May 19, 2009

MARK J. BENNETT
Attorney General of Hawaii



HUGH R. JONES
Deputy Attorney General

STATE OF HAWAII CIRCUIT COURT OF THE FIRST CIRCUIT	SUMMONS TO ANSWER CIVIL COMPLAINT	CASE NUMBER
PLAINTIFF Mark J. Bennett, Attorney General of the State of Hawaii	vs.	DEFENDANT Community Support, Inc., a domestic limited liability corporation.
PLAINTIFF'S ADDRESS (NAME, ADDRESS, TEL. NO.) HUGH R. JONES #4783 Department of the Attorney General 425 Queen Street Honolulu Hawaii 96813 (808) 586-1470		
<p>TO THE DEFENDANT(S):</p> <p>You are hereby summoned and required to serve upon plaintiff's attorney, whose address is stated above, and answer to the complaint which is attached. This action must be taken within twenty days after service of this summons upon you, exclusive of the day of service.</p> <p>If you fail to make your answer within the twenty day time limit, judgment by default will be taken against you for the relief demanded in the complaint.</p> <p style="text-align: center;">This summons shall not be personally delivered between 10:00 p.m. and 6:00 a.m. on premises not open to the general public, unless a judge of the above-entitled court permits, in writing on this summons, personal delivery during those hours.</p> <p style="text-align: center;">A failure to obey this summons may result in an entry of default and default judgment against the disobeying person or party.</p>		
DATE ISSUED MAY 19 2009	CLERK E. ALAGAO	
I do hereby certify that this is a full, true, and correct copy of the original on file in this office.		
		
		CIRCUIT COURT CLERK